

Memo

To: Tom Johnston
From: Shelley Holley, Library Director
Date: May 10, 2010
Subject: Purchase Order for Downloadable digital media

Action Requested: The library requests to execute an agreement with Envisionware Inc. to provide a new automated library circulation and security system based on radio frequency identification (RFID) technology. This agreement utilizes contract terms and pricing via an executed Interlocal agreement with the City of Hurst, Texas. The total value of the contract is \$167,385.

Background: Most of the library's current RFID system was placed into service in 2005, at a time when all RFID library systems were based on vendor-specific proprietary technology. The system chosen at the time, from Checkpoint Systems Inc., used not only proprietary RFID tags but also proprietary hardware designs.

The Checkpoint system has reached the practical end of its service life after almost five years. Operating at extremely high volume levels has resulted in significant hardware degradation and performance problems. Customer service and the accuracy of library transactions are negatively impacted on a daily basis, and low utilization of the system is shifting transactions away from a self-service environment to one in which staff is handling a high percentage of transactions.

Repairing or refurbishing the current system is not a viable option. Support operations for Checkpoint Systems were taken over by 3M Corporation in 2008. Although 3M continued to provide support services, the library was faced with a dramatic increase in cost for support combined with continuing hardware service problems. Adding to the dilemma is the fact that during the last few years a worldwide data-encoding standard for library RFID tags has emerged, resulting in lower costs associated with a high volume commodity product. At this time the library finds itself paying some 300% more for its proprietary tags than the ISO standard tags. Further investments in the current system represent larger and larger sunk costs into an unsustainable technology.

The library believes that a full replacement of its RFID circulation and security system is required as soon as possible to restore acceptable customer service levels to our citizens and to be fiscally responsible in building sustainable technology.

Proposal: The library proposes to execute an agreement with Envisionware Inc. to acquire all the elements of a new RFID circulation and security system. Envisionware was selected for several key factors:

- Low cost and simplified integration with existing library systems that will extend self-services functionality to patrons. Envisionware has successfully provided the library's third-largest software system for three and one-half years – managing the library's 80 publicly accessible computers for reservations, printing, and authentication. As part of this service Envisionware has already established reliable network interfaces with the library's inventory and cataloging system;
- Premium level support, 24x7x365, and discounts on annual support costs due to purchase of multiple product lines;
- Very competitive pricing on all elements of the system through the Hurst Interlocal agreement;
- Software driven system – library can use its own hardware if preferred for most components;
- Guaranteed pricing for phase two of the library circulation project – automated check-in and materials sorting system.

The value of the contract is \$167,385. There are six major elements that make up the system:

- Seven (7) self-service check-out stations for the patron spread across the three floors of the library;
- Eight (8) staff stations for back-office circulation functions;
- Three (3) sets of double-aisle security gates – one set for each floor - that monitor the movement of RFID-tagged materials in and out of the library;
- New ISO standard tags sufficient to tag all physical library materials prior to activation of the new system – about 160,000 tags in total of various types;
- System monitoring, alerts, and reports software that notifies staff when patrons need assistance at self-service checkouts or when a patron attempts to exit through the security gates without checking out an item. This software also produces numerous management reports;
- Three (3) handheld check-in and reference devices to allow staff to assist patrons anywhere in the library during peak periods such as children's storytimes and summer programs.

Envisionware will provide all design and installation services, which the library will be responsible for the re-tagging of its collection with the new tags.

Funding: The \$167,385 for the purchase of this system will come from three sources:

- \$100,000 in available capital funds from an un-awarded library RFP for materials handling and automated return system – delayed in favor of this more urgent purchase;
- \$18,000 in funds from our 2009 Texas State Library Lone Star grant;
- \$50,000 from the mid-year budget adjustment agreed to in the Council's mid-year work session of February 18, 2010.

Project Timeframe: The planned completion date for the new system implementation is approximately September 1st, 2010. During the month of July Envisionware will do design work and during August will complete installation and testing. All library staff will be re-tagging the collection and training on the new system during the second half of August, after the end of the summer reading programs. The library is expected to be closed for up to 10 days to complete these processes.